Notice of Ex Parte Contact

TO:

Data Center

All Parties in Case No. GT-2005-0069

All Commissioners

FROM:

Chairman Steve Gaw (4x)

DATE:

October 7, 2004



The attached letters were recently received from Tim Williams of Crown Linen Services, Inc. and Wayne Holden of State Farm Insurance Companies. The Commission is currently considering the issues discussed in these letters in Case No. GT-2005-0069 and is bound by the same *ex parte* rule as a court of law.

Although communications from the public are always welcome, those communications must be made known to all parties to a contested case so that those parties have the opportunity to respond. According to the Commission's rules (4 CSR 240-4), when a communication (either oral or written) occurs outside the hearing process, any member of the Commission or the Regulatory Law Judge who received the communication shall prepare a written report concerning the communication and submit it to each member of the Commission and the parties to the case. The report shall identify the person(s) who participated in the *ex parte* communication, the substance of the communication and the relationship of the communication to a particular matter at issue before the Commission.

Therefore, this report is submitted pursuant to the rules cited above. This will ensure that any party to this case will have notice of the attached information and a full and fair opportunity to respond to the comments contained therein.

cc:

Executive Director

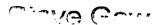
Secretary/Chief Regulatory Law Judge

General Counsel





September 23, 2004



Mr. Steve Gaw Chairman Missouri Public Service Commission 200 Madison Street P. O. Box 360 Jefferson City, MO 65102-3234

Dear Chairman,

During your long career as a State Representative, you worked to help bring jobs to Missouri as well as retain and expand the jobs opportunities for all Missourians. As a small employer, I am asking you today to please consider the effect Ameren's tariff filed on August 30, 2004, concerning the Schedule No. 2, Schedule of Rates for Gas Service. This request will have a very negative impact for years into the future on Missouri's ability to compete for job development, relocation and expansion.

The current proposed tariff will be one of the most punitive tariffs dealing with natural gas delivery in the country.

To my knowledge, Ameren has never notified any of the large transport users of this filing or the impact it will have on those affected. The very short time frame in which they are asking it to be implemented is making a response to you, the commission difficult on businesses and employers. The cost, effect, requirements have never been offered by anyone associated with Ameren.

I am asking that this tariff be delayed until April 2005 in order to allow small and large employers alike time to respond to the Missouri Public Service Commission our view and the impact on our businesses located within the State of Missouri.

I have been unable to find any justification for implementing this tariff at this time. For my limited understanding (because of such a short time period given us) the tariff is far more costly to employers that transport gas on the Ameren distribution system then any other system near Missouri. Several of the major concerns are;

1. Ameren is not allowing any tolerance in the daily nominated amount. A plus or minus 20% would aid users in a reduction of "cash out charges". I understand Ameren offers a tolerance in some of their service areas. As the current filing stands, it can be best described as we the customers and employers will be required by Ameren to "sell low and buy high" on a daily basis.

2. If we could balance on a monthly basis versus a daily basis. The ability for us to forecast if we will need to operate our facility on a weekend or even an hour longer on a daily basis is very difficult.

In summary, my brother and I own a 113-year-old family run small business in Mexico. Our cost of energy is a significant part of our operating cost. This "cash out fee" will be an additional cost we had no idea we would encounter just a week ago. Please delay this tariff and allow us the time to work together to keep Missouri a good place to operate a business.

Sincerely,

Tim Williams

Crown Linen Service, Inc

Jim Williams

cc. Connie Murray, Commissioner
Robert Clayton, Commissioner
Lin Appling, Commissioner
Jeff Davis, Commissioner

Robert Quinn, Executive Director Toni, Legislative Coordinator

Kevin Kelly, Public Information Administrator

State Farm Insurance Companies



Atlana Notre

September 27, 2004

Missouri Public Service Commission ATTN: Steve Gaw, Chairman P.O. Box 360 Jefferson City, MO 65102-0360





Dear Mr. Gaw:

On August 30, 2004, Steven R. Sullivan, on behalf of Ameren UE, submitted five (5) tariff sheets to be filed as a revision of "Schedule No. 2, Schedule of Rates for Gas Service", effective on or after October 1, 2004. The proposed tariff sheets were submitted based on changes being adopted by Panhandle Eastern Pipe Line Company (PEPL).

Because PEPL will stop performing the administrative function of burner tip balancing for most of Ameren UE's gas transportation customers on October 1, 2004, Ameren UE will have to balance Missouri gas transportation customers, instead.

Although Ameren UE's filing states that "no changes to existing rates or miscellaneous charges will occur with the proposed changes", customers will be penalized for being "under" or "over" monthly nomination amounts beginning October 1, 2004, if tariff provisions are approved.

On behalf of State Farm Insurance, an Ameren UE customer, I would like to ask your consideration in suspending the proposed tariff revisions until April, 2005, contingent upon further review by the Public Service Commission. This consideration request is based upon the fact that, not only is this an added cost of doing business in Missouri, but there is no justification for the rate changes nor did Ameren UE notify its customers of the filing.

Should the proposed tariff changes be implemented, State Farm Insurance does support the "group balancing" provision, which allows gas to be delivered to two or more customers on the same pipeline and <u>could</u> somewhat reduce the penalties that would be imposed without the benefit of "group balancing".

Your consideration in this matter is greatly appreciated. Please don't hesitate to contact me at 573-499-2488 should you have any questions.

Sincerely,

Wayne Holden, Manager, Administrative Services Dept.

State Farm Insurance Companies

4700 S. Providence Road Columbia, MO 65217

CC: Paulette Anderson Fran Muench

JoAnn Misel



Commissioners

STEVE GAW Chair

CONNIE MURRAY

ROBERT M. CLAYTON III

JEFF DAVIS

LINWARD "LIN" APPLING

Missouri Public Service Commission

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ROBERT J. QUINN, JR. Executive Director

WESS A. HENDERSON Director, Utility Operations

ROBERT SCHALLENBERG Director, Utility Services

DALE HARDY ROBERTS Secretary/Chief Regulatory Law Judge

> DANA K. JOYCE General Counsel

October 7, 2004

Mr. Wayne Holden, Manager Administrative Services Dept. State Farm Insurance Companies 4700 S. Providence Road Columbia, MO 65217

Dear Mr. Holden:

Thank you for the letter expressing your concerns related to the natural gas transportation tariff submitted by AmerenUE. A motion to suspend the tariff was filed with the Public Service Commission and the tariff was assigned Case No. GT-2005-0069.

Since this is now an open case that will be decided by the Commission I cannot comment on it at this time. Your letter will be shared with all of the Commissioners and will also be placed in the official file so that all of the parties can view it.

Thank you again for bringing your concerns to my attention.

Sincerely,

Steve Gaw Chairman

Steve Haw
(sa)

SG:ba enclosure



Commissioners

STEVE GAW Chair

CONNIE MURRAY
ROBERT M. CLAYTON III
JEFF DAVIS

LINWARD "LIN" APPLING

Missouri Public Service Commission

POST OFFICE BOX 360 JEFFERSON CITY MISSOURI 65102 573-751-3234 573-751-1847 (Fax Number) http://www.psc.mo.gov ROBERT J. QUINN, JR. Executive Director

WESS A. HENDERSON Director, Utility Operations

ROBERT SCHALLENBERG Director, Utility Services

DALE HARDY ROBERTS
Secretary/Chief Regulatory Law Judge

DANA K. JOYCE General Counsel

October 7, 2004

Mr. Tim Williams Crown Linen Service, Inc. 215 South Jefferson P.O. Box 597 Mexico, MO 65265

Dear Mr. Williams:

Thank you for the letter expressing your concerns related to the natural gas transportation tariff submitted by AmerenUE. A motion to suspend the tariff was filed with the Public Service Commission and the tariff has now been assigned Case No. GT-2005-0069.

Since this is now an open case that will be decided by the Commission I cannot comment on it at this time. Your letter will be shared with all of the Commissioners and will also be placed in the official file so that all of the parties can view it.

Thank you again for bringing your concerns to my attention.

Sincerely,

Steve Law
(i.a.)
Steve Gaw
Chairman

SG:ba